

Prequalification Information

General

Prequalification requirements are contained in the booklet, “Administrative Rules Governing the Prequalification of Bidders for Highway and Transportation Construction Work,” revised December 27, 2002. A copy is available via www.michigan.gov/mdot. (Click “doing business” then “contractor services” then “prequalification”).

The prequalification rating consists of two parts. First is a numeric rating that measures the resources required in terms of capital, equipment and experience. Second is the work classification that reflects the area of expertise. A typical prequalification rating would be 8260B.

Setting Prequalification Level

To determine the numeric rating for a project, divide the estimated cost by 1,000.

The work classifications are selected from **MDOT Form 1313** “Confidential Prequalification Application” pages 2 and 3. The local agency is responsible for determining which classification will attract the type of contractor that it wishes to perform the work. The prime contractor must perform a minimum of 40 percent of the work with his own forces. This factor should be considered in setting the prequalification rating. Only the prime contractor rating is shown on the advertisement for bids (subcontractors must also be prequalified with MDOT). To allow maximum participation by contractors, acceptable prequalification ratings can be linked with “or” statements. A possible rating for a streetscape project estimated at \$248,000 for trees, sidewalk, and drainage work might be 248J (miscellaneous concrete work) or 248H (landscape) or 248E (drainage, trucking or general contracting).

Verifying Contractors Prequalification

It is the responsibility of the local agency to satisfy themselves that the contractor has suitable prequalification, and to certify to this to MDOT when requesting approval to award a contract. When and how this is done is at the discretion of the local agency.

All prequalified contractors have in their possession a letter from the department showing their numeric and alpha ratings. Attached is a sample letter which shows the maximum amount of work the contractor can have under contract at any one time (e.g., 8260B means this contractor is qualified to have \$8,260,000 of work in the concrete paving category under contract at any one time). The rating contains an expiration date.

MDOT requires the contractor to be prequalified as a condition to receive bid documents. We also require the contractor to file MDOT form 1300EZ “Statement of Current Contracts and Subcontracts.” By totaling the amounts of contracts and subcontracts for both MDOT and others and subtracting the work subcontracted to others, the amount of remaining prequalification available for new work can be computed. We encourage the local agency to follow a similar procedure. If MDOT form 1300EZ is used, the contractor should be instructed not to send these forms to the department address.

Questions on contractor prequalification can be addressed to MDOT Financial Services Division at (517) 373-1576.